



## Financial Assistance Award

### DENALI COMMISSION

510 "L" Street, Suite 410  
Anchorage, Alaska 99501  
(907) 271-1414

### Project Number

**0026-DC-2001-I8—Amendment No. 1**

### Denali Commission Accounting Code

95670000	FY01 Commission Funding	6,332,846.00
95670000	FY01 TAPL Funding	4,414,685.00
Total Commission Funding		10,747,531.00
Funds Available & Apportioned by OMB		CFE

### Recipient Name & Address

State of Alaska  
Alaska Industrial Development and Export Authority  
Alaska Energy Authority  
813 W. Northern Lights  
Anchorage, AK 99503

Phone (907) 269-3000  
Fax (907) 269-3044

### FUNDING

	Denali Commission	Other contributors	Totals
Bulk Fuel	4,414,685.00	0	4,414,685.00
RPSU	1,400,000	1,218,500.00	2,618,500.00
Other	4,932,846.00	0	4,932,846.00
Totals	10,747,531.00	1,218,500.00	11,966,031.00

### Authority

112 Stat 1854

### Project Title

Bulk Fuel Consolidation Upgrades & Power Generation

### Award Performance Period

From: April 19, 2001  
To: January 1, 2007

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- ☐ EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99
- ☒ Special Award Conditions and Attachments
- ☐ Line Item Budget
- ☒ 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr24\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html))
- ☒ OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments ([www.whitehouse.gov/OMB/circulars/a087/a087-all.html](http://www.whitehouse.gov/OMB/circulars/a087/a087-all.html))
- ☒ OMB Circular A-133, Audits ([www.whitehouse.gov/OMB/circulars/a133/a133.html](http://www.whitehouse.gov/OMB/circulars/a133/a133.html))
- ☐ 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations ([www.access.gpo.gov/nara/cfr/waisidx\\_99/15cfr14\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html))
- ☐ OMB Circular A-122, Cost Principles for Nonprofit Organizations ([www.whitehouse.gov/OMB/circulars/a122/a122.html](http://www.whitehouse.gov/OMB/circulars/a122/a122.html))
- ☐ OMB Circular A-21, Cost Principles for Educational Institutions ([www.whitehouse.gov/OMB/circulars/a021/a021.html](http://www.whitehouse.gov/OMB/circulars/a021/a021.html))
- ☐ EDA Standard Terms and Conditions Capacity Building Programs
- ☐ Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98

### Signature of Authorized Official - Denali Commission

### Typed Name and Title

Jeffrey B. Staser, Federal Co-Chair

### Date

9/19/01

### Signature of Authorized Official

### Typed Name and Title

Robert Poe, Jr., Executive Director

### Date

9/19/01

**Alaska Energy Authority Projects - Denali Commission FY2001 Funding--Amendment 1**

<b>Community Name</b>	<b>Project Description/Type</b>	<b>Total Project Costs</b>	<b>Total Project Funding</b>	<b>Denali Funds FY99-FY00</b>	<b>Denali Commission FY2001</b>	<b>Other Funds</b>	<b>Funding less Costs</b>
AEA Personnel Services	Administrative	280,000	280,000		\$ 280,000.00		-
Allakaket overruns	Bulk Fuel				\$ 200,000.00	1,460,000	
Energy Cost Reduction	RFP	3,952,846	3,952,846		\$ 3,952,846.00		-
Energy Cost Reduction	RFP Consultants	100,000	100,000		\$ 100,000.00		-
Business Plans for 40 Communities	Planning	600,000	600,000		\$ 600,000.00		-
Kotlik	RPSU	1,855,000	1,855,000	705,000	\$ 600,000.00	550,000	-
Kotlik overruns	Bulk Fuel	3,850,000	3494685.5	2,339,295	\$ 394,685.00	760,705	
Kongiganak	Bulk Fuel	3,800,000	3,800,000		\$ 3,100,000.00	700,000	-
Nikolai	Bulk Fuel	1,200,000	1,200,000		\$ 500,000.00	700,000	-
Tuluksak	RPSU	1,468,500	1,468,500		\$ 800,000.00	668,500	-
Repairs and Replacement		220,000	220,000		\$ 220,000.00		-
<b>Total Funding</b>		<b>17,326,346</b>	<b>16,971,032</b>	<b>3,044,295</b>	<b>\$ 10,747,531.00</b>	<b>4,839,205</b>	<b>-</b>

**Award Conditions to the Financial Assistance Award  
Amendment No. 1 to Project No. 0026-DC-2001-I8  
FY2001 Bulk Fuel Consolidation Upgrades & Power Generation  
Alaska Energy Authority**

1. **This Amendment No. 1 adds the second installment of TAPL funding for this financial assistance award and provides additional TAPL funding for project overruns at Kotlik and Allakaket; clarifies intent of Commission funding for this project in Paragraph 2, including the allowable use of TAPL funds, revises Paragraph 8 to delete the need for individual project checking accounts for funds received in advance of need and emphasizes that reimbursement is the preferred method of requesting payment; and incorporates Paragraph 16 to formalize the requirement for periodic project photographs to be submitted. Changes to previous wording are shown in “Bold” typeface.**
2. The scope of work under this Financial Assistance Award (the “Agreement”) is to perform the planning and construct the projects listed on the attached spreadsheet. Any surplus of funds (on one or more of the projects funded under this Agreement) may be used on other projects identified under this Agreement that may be experiencing a project shortfall. The intent is not to set aside a specific sum of Commission funding to a particular community, but rather that the projects on the attached spreadsheet are all completed successfully. Shifting of funding between project line items by AEA is allowed provided there is no increase in the total funding provided by the Commission, **and TAPL money may be used only for Bulk Fuel projects.** The Commission Project Officer is to be copied on all revisions to the spreadsheet. **The term “other contributors” shown on this Agreement shall be defined to include both match funds in accordance with 15 CFR 24, and all other sources of funds used for the projects, whether federal, state or private.**
3. Budget revisions to Commission funding shall be in accordance with 15CFR24.30 (c)(2). Written request by letter from the AEA Project Officer to the Commission Project Officer for concurrence is necessary for budget revisions where projects are added or deleted or that would result in the need for additional Commission funds.
4. The Project Officers for AEA are Mr. Chris Mello for purposes of project design and construction and Ms. Sara Fisher-Goad for purposes of financial management. The Project Officer for the Denali Commission is Ms. Kathleen Prentki.
5. AEA shall submit written progress reports to the Commission Project Officer quarterly (January/March, April/June, etc.). The reports are due within 30 calendar days of the end of the quarter. Interim reports are required in the event of significant project events that may extend the project schedule and/or impact the project budget. Quarterly progress reports shall include a narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems. These progress reports shall be sent to:

Denali Commission  
510 "L" Street, Suite 410  
Anchorage, AK 99501

The Commission reserves the right to direct AEA to provide the progress reports in electronic format for posting on the Commission web page.

6. Three forms of project financial and labor reports are required.
  - A. Project financial status reports shall be submitted to the Commission Project Officer quarterly (included as part of the quarterly progress reports). For each project that includes funding from the Denali Commission, the quarterly financial status report shall include the following:
    - i. the total project budget
    - ii. the project schedule with milestone dates for design and construction
    - iii. the total amount of Denali Commission funds committed to the project
    - iv. the total project expenditures as of the end of the most recent quarter
    - v. the total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
    - vi. the percentage of expenditures to the total budget; and
    - vii. a project performance analysis on project line items, as defined by the AEA, showing budget costs compared to actual expenditures and obligations to date versus work performed to date (for each line item).
  - B. A Financial Status Report (Standard Form 269 – [www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms)) shall be submitted to the Commission Project Officer within 90 days after the end of each anniversary of the initial award date, and a final Financial Status Report shall be submitted within 90 days after the end of the Award Performance Period. **For purposes of this financial assistance award, the SF269 shall show actual project match funds only. However, whenever an SF269 is required to be filed, the most recent quarterly financial status report spreadsheet will accompany the SF269. The intent of including the quarterly report with the SF269 is to capture in aggregate, all project expenditures, regardless of the origin of the funds expended.**
  - C. A Labor Type, Residence, and Wage Report shall be submitted to the Commission Project Officer at a minimum of two times annually. At a minimum, these two reports must be submitted on or near August 1<sup>st</sup> and December 1<sup>st</sup> each year to correspond with the Alaska construction season. A Labor Type, Residence, and Wage Report must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date.

7. Indirect costs (see OMB Circular A-87) are not allowable under this Agreement.
8. To receive payment, the Authority must submit a "Request for Advance or Reimbursement", Standard Form-270, [www.whitehouse.gov/OMB/grants/index.html#forms](http://www.whitehouse.gov/OMB/grants/index.html#forms), to the Commission Project Officer. **Cost reimbursable payments are approved under this award, and are the preferred method of payment. Reimbursements are based on actual expenditures only. Preferably, AEA shall submit a request for reimbursement on Standard Form-270, along with the quarterly report. However, request for reimbursement is not limited to a quarterly basis. AEA may request reimbursement on a more frequent basis if necessary. Although cost reimbursement is the expected method to receive payment, advance payments may be requested on Standard Form-270 for no more than the amount anticipated to be needed for the following 90 days.** It is expected that the Authority will forecast by letter or spreadsheet format, Commission funds or working capital advances needed on a monthly (or as needed) basis for each project. The Commission reserves the right to consolidate project level payments into one payment. This does not preclude more frequent Commission payments, then monthly, given project specific needs. Commission funds **received as advance payment** shall be subject to interest provisions as set forth in 31CFR205.12. **The Commission Project Officer may review all project payments made by AEA from the funds advanced to determine if payments made are justified and supported by appropriate records, invoices and other documentation.** The Commission reserves the right to prohibit further payments to the Authority, at any time, if discrepancies involving the **advance** account funds arise, until such time that the discrepancies are resolved to the satisfaction of the Commission. Pay requests for Authority administrative costs shall be on a separate Standard Form – 270 (quarterly) from project pay requests.
9. To the maximum extent feasible, considering applicable laws, AEA shall accomplish the work of this Agreement utilizing local labor and small, minority owned and disadvantaged businesses.
10. No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.
11. AEA agrees to comply with the Commission's private enterprise policy, a draft of which is attached hereto and made a part hereof.
12. Based upon proposed Federal funding, project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds. In accordance with NEPA and NHPA legislation, AEA shall address all potential environmental concerns (specific and cumulative effects) associated with the projects, identified in this Agreement, in consultation with applicable Federal, State, and

local authorities. If the scope of work is changed in the future, then AEA will revisit the project level environmental reviews to determine if potential environmental concerns must be further addressed. In the interest of streamlining the project level environmental reviews and to avoid duplication of effort, any other Federal Agency environmental review process carried out by AEA on projects, identified in this Agreement, shall meet the intent of this paragraph.

13. AEA shall evaluate the condition of bulk fuel storage facilities and electric utility systems in rural Alaska, and will develop a list of these facilities ranked in the order of their physical condition. AEA will also acquire information on the operations and maintenance performance of rural electric utilities that may be incorporated in the project selection process.
14. The electric utility systems and bulk fuel systems receiving the benefit of Commission funding must be sustainable. As a precondition of construction funding, a project must meet the attached sustainability criteria.
15. There are many issues such as facility location, project ownership, construction costs, and compliance with sustainability criteria that require resolution prior to proceeding with full design and construction. If project issues cannot be resolved in a reasonable time frame, the Commission expects AEA to move down the priority list(s) to projects that are ready to proceed to full design and construction. It is expected that the Commission and AEA Project Officers will meet quarterly to review the progress of projects and collaboratively determine if reasonable progress is being made and what steps should be taken, if any, to deal with new developments encountered in the design and construction process.
16. **Photographic documentation of project progress shall be provided with the quarterly reports. For full-fledged, active construction projects, photo documentation shall include a minimum of five, dated photos per quarter of current project status, such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. For minor repair and O&M projects, pictures should be provided of before and after to the extent possible. Photos may be provided as photo quality, 3x5 prints with negative for each picture, and/or print quality electronic photos (digital images).**